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SUBJECT: NOVEMBER TRADE AND INVESTMENT BRIEFS

SUMMARY

[¶1.](#) (U) This is an update on the following trade and investment news from Peru:

Trade

-- Peru and China Close Trade Negotiations
-- Peru and Mexico Trade Agreement - Issues Remain
-- Peru and Japan Advance towards FTA

Investment

-- Koreans Visit Peru Looking for Business Opportunities
-- Peru Remains No. 2 for Investment in Latin America

PERU AND CHINA CLOSE TRADE NEGOTIATIONS

[¶2.](#) (U) Peru and China announced the close of trade negotiations during APEC Leader's Week. The legal revision and translation of the trade agreement document will occur over the next three to four months. The Peruvian Minister of Trade and Tourism noted that the agreement will most likely go to Congress no later than June 2009.

PERU AND MEXICO TRADE AGREEMENT - ISSUES REMAIN

[¶3.](#) (U) During his visit to Peru for APEC, the President of Mexico, Felipe Calderon, noted the need for creative solutions to conclude the free trade agreement between Mexico and Peru. He acknowledged that agreement on some agricultural products remains one of the outstanding issues. President Calderon mentioned that the two countries will likely reach an agreement in early 2009, if not sooner.

PERU AND JAPAN ADVANCE TOWARDS FREE TRADE AGREEMENT

[¶4.](#) (U) The Peruvian Minister of Trade and Tourism announced that the Peruvian and Japanese private sector will complete a feasibility study over the next few months. In February 2009, the two countries will likely begin formal trade negotiations towards a comprehensive trade agreement.

KOREANS VISIT PERU LOOKING FOR BUSINESS OPPORTUNITIES

[¶5.](#) (U) Between November 24 and December 6, 20 representatives of the Association of Korean Importers will visit Brazil, Uruguay, Argentina and Peru looking for new markets. The investors are

interested in identifying new markets for primary materials as well as consumer goods products.

PERU REMAINS NO. 2 FOR INVESTMENT IN LATIN AMERICA

16. (U) Peru remains in second place in the Economic Climate Index (ECI) for investments in Latin America with 5.7 points, compared to 7.4 points in January, according to the study by the Getulio Vargas Foundation in Brazil and the Institute IFO of the University of Munich (Germany). The ICE is the average between the Present Situation Index (ISA), which measures the assessment of 131 specialists from 15 countries in the region about the current situation, and the Expectations Index (EI), which reflects what the respondents expect for the future. The overall environment for business in Latin America fell to 4.2 points in October, below the 5.7 points registered in July this year. Uruguay remained at number one with six points, followed by Peru (5.7 points), Brazil (five points) and Paraguay (4.1 points).